



**PHILADELPHIA GAS WORKS**

800 West Montgomery Avenue • Philadelphia, PA 19122

**GREGORY J. STUNDER**  
**SENIOR ATTORNEY**  
**(215) 684-6878**  
**GREG.STUNDER@PGWORKS.COM**

March 14, 2014

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
2<sup>nd</sup> Floor, 1 North  
400 North Street  
Harrisburg, PA 17120

**RECEIVED**

MAR 14 2014

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**RE: PaPUC v. Philadelphia Gas Works - Docket No. R-2014-2404355**

Dear Secretary Chiavetta,

On behalf of Philadelphia Gas Works, enclosed for filing is an original of its Prehearing Memorandum with regard to the above referenced matter. A copy has been served on the parties listed on the attached Certificate of Service.

Please contact me if you have any questions regarding this filing.

Respectfully submitted,

*Gregory Stunder 104*  
Gregory J. Stunder

Enclosure

cc: All Parties of Record  
Hon. Christopher Pell

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,

v.

Philadelphia Gas Works

:  
:  
:  
:  
:

Docket No. R-2014-2404355

**RECEIVED**

MAR 14 2014

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**PHILADELPHIA GAS WORK'S  
PREHEARING MEMORANDUM**

**I. INTRODUCTION**

Philadelphia Gas Works ("PGW") submits this Prehearing Memorandum in anticipation of the Prehearing Conference scheduled before Administrative Law Judges Christopher P. Pell and Darlene D. Heep on March 17, 2014. This Prehearing Conference will address PGW's 2014-15 Gas Cost Rate ("GCR") proceeding, which includes the establishment of its 2014-15 proposed Universal Service Surcharge, for which PGW submitted its prefiling information on February 1, 2014 and its annual filing on March 1, 2014. Additionally, PGW submitted a Petition requesting waiver of certain Commission regulations pertaining to its supporting data and customer notice for the GCR.

**II. DISCOVERY**

The following rules are consistent with PGW's prior GCR proceedings. Additionally, PGW has communicated with the other parties about the following discovery rules and all parties are in agreement with respect to the following:

1. Answers to written interrogatories will be served in-hand within ten (10) calendar days of service of the interrogatories except that service of interrogatories on a Friday shall be deemed service on the following business day;

2. Objections to interrogatories will be communicated orally within three (3) business days of service; unresolved objections shall be served to the ALJ in writing within five (5) business days of service of the interrogatories;
3. Motions to dismiss objections and/or direct the answering of interrogatories will be filed within three (3) business days of service of written objections;
4. Answers to motions to dismiss objections and/or direct the answering of interrogatories will be filed within three (3) business days of service of such motions;
5. Responses to requests for document production, entry for inspection, or other purposes will be served in-hand within ten (10) calendar days;
6. Requests for admission will be deemed admitted unless answered within ten (10) calendar days or objected to within five (5) business days of service;
7. Answers to on-the-record data requests will be served in-hand within seven (7) calendar days of the request;
8. Rulings over motions shall be issued, if possible, within seven (7) calendar days of the filing of the motion;
9. Any discovery or discovery related pleadings such as objections, motions, answers to motions served on a Friday or on any business day preceding a state holiday shall be deemed to have been served on the following business day for purposes of tracking responsive due dates; and
10. That due dates be “in-hand” and that electronic or fax service on the due date will satisfy the “in-hand” requirement, where such service is immediately followed by a hard copy sent by first-class mail.
- 11.

### **III. FACTUAL AND LEGAL ISSUES**

The following is a summary of the factual and legal issues that PGW anticipates will be raised in this case:

1. Whether PGW proposed 2014-15 projected natural gas expense and total applicable GCR Expense are just, reasonable and consistent with the least cost fuel procurement and other standards set forth in 66 Pa.C.S. §§ 1307(f), 1317 and 1318?

2. Whether PGW's claimed realized 2013-14 natural gas expense, GCR Expense and prior years' over/under collection is just, reasonable and consistent with the least cost procurement and other standards set forth in 66 Pa. C.S. §§ 1307(f), 1317 and 1318?

3. Are the revisions to PGW's authorized Universal Service Charge (USC) designed to recover PGW's realized and projected costs and discounts associated with its CRP, CAP, Conservation Works Program (CWP), Enhanced Low Income Usage Reduction Program (ELIRP) and Senior Citizen Discount (SCD) programs just, reasonable and in accordance with applicable PUC orders and the Public Utility Code?

4. Whether PGW's proposed Supplement No. 71 to PGW's Pa PUC Tariff No. 2 setting forth the revisions in rates required by the changes in the GCR, Energy Efficiency Cost Recovery, OPEB and USC surcharges are just, reasonable and otherwise consistent with law?

#### **IV. SERVICE OF DOCUMENTS**

Service of documents in this matter should be on the following counsel of record:

Gregory J. Stunder, Esq.  
Philadelphia Gas Works  
800 West Montgomery Ave.  
Philadelphia, PA 19122  
(215) 684-6878 (phone)  
(215) 684-6798 (fax)  
[greg.stunder@pgworks.com](mailto:greg.stunder@pgworks.com)

#### **V. SCHEDULE**

PGW has communicated with the other parties in order to develop a proposed schedule for discovery, testimony, evidentiary hearings and submission of briefs and all parties have agreed to the following (via email by 4:00 P.M. unless otherwise noted):

Non-Company Direct Testimony

Monday, April 14, 2014

All parties' Rebuttal Testimony	Monday, April 28, 2014
Surrebuttal Testimony	Monday, May 5, 2014
Oral Rejoinder	Thursday, May 8, 2014 (at hearing)
Hearing	Thursday, May 8, 2014
Close of Record	Thursday, May 8, 2014
Main Briefs	Friday, May 16, 2014
Reply Briefs	Thursday, May 29, 2014

**VI. WITNESSES**

PGW expects to submit the testimony of the following witnesses:

A. Raymond Snyder (same business address as the undersigned). The issues Mr. Snyder will address are outlined in the prepared direct testimony submitted on March 1, 2014.

B. Kenneth Dybalski (same business address as the undersigned). The issues Mr. Dybalski will address are outlined in the prepared direct testimony submitted on March 1, 2014.

PGW reserves its right to modify this witness list prior to the submission of testimony.

**VII. SETTLEMENT**

PGW is willing to discuss settlement of its claims and will be initiating such discussions as soon as the parties indicate they have had sufficient time to review PGW's direct case on the GCR.

Respectfully submitted,

Gregory J. Stunder 164  
Gregory J. Stunder, Esq.  
Senior Attorney  
Philadelphia Gas Works  
800 West Montgomery Ave.  
Philadelphia, PA 19122  
(215) 684-6878

Dated: March 14, 2014

REC . . VED

MAR 14 2014

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below in accordance with the requirements of §1.54 (relating to service by a participant).

**VIA EMAIL and FIRST CLASS MAIL**

Aron Beatty, Esq.  
Brandon Pierce, Esq.  
Office of Consumer Advocate  
5<sup>th</sup> Floor, Forum Place Bldg.  
555 Walnut Street  
Harrisburg, PA 17101-1921  
[abeatty@paoca.org](mailto:abeatty@paoca.org)  
[bpierce@paoca.org](mailto:bpierce@paoca.org)

Adeolu Bakare, Esq.  
Charis Mincavage, Esq.  
McNEES, WALLACE, NURICK  
100 Pine Street  
P.O. Box 1166  
Harrisburg, PA 17108-1166  
[abakare@mwn.com](mailto:abakare@mwn.com)

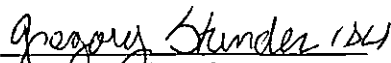
Sharon Webb, Esq.  
Office of Small Business Advocate  
Commerce Building, Suite 1102  
300 North 2<sup>nd</sup> Street  
Harrisburg, PA 17101  
[swebb@state.pa.us](mailto:swebb@state.pa.us)

Regina Matz, Esq.  
Office of Investigation & Enforcement  
PA Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor  
Harrisburg, PA 17120  
[rmatz@pa.gov](mailto:rmatz@pa.gov)

**RECEIVED**

MAR 14 2014

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

  
Gregory J. Stunder, Esq.

Date: March 14, 2014

00168

00200

MUR 4

**FedEx** Package Express **US Airbill**

FedEx Tracking Number **8053 1592 8447**

Form ID No **0215**

**Recipient's Copy**

**1 From**  
Date **3-11-14**

Sender's Name **Craig Sturley Eng** Phone **215 581-6978**

Company **PHTI DELPHIA GAS WORKS**

Address **800 W MONTGOMERY AVE**

City **PHTI DELPHIA** State **PA** ZIP **19122-2898**

**2 Your Internal Billing Reference**

**3 To Recipient's Name** **Soc Rosmary Charath** Phone **PA PUBLIC UTILITY COMMISSION**

Company **PA PUC**

Address **487 North Street** Dept./Floor/Suite/Room

Address **900 Elm**

City **Harrisburg** State **PA** ZIP **17120**

**RECEIVED**

**MAR 14 2014**

**HOLD Weekday**  
FedEx location address  
REQUIRED NOT available for  
FedEx First Overnight.

**HOLD Saturday**  
FedEx location address  
REQUIRED Available ONLY for  
FedEx Priority Overights and  
FedEx 2Day to select locations.

**4 Express Package Service** \* To most locations.  
NOTE: Service order has changed. Please select carefully.  
Packages up to 150 lbs.  
For packages over 150 lbs., see the  
FedEx Express Freight US Airbill.

Next Business Day	2 or 3 Business Days
<input type="checkbox"/> FedEx First Overnight Earliest next business morning delivery to select locations. Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.	<input type="checkbox"/> FedEx 2Day A.M. Second business morning. Saturday Delivery NOT available.
<input type="checkbox"/> FedEx Priority Overnight Next business morning * Friday shipments will be delivered on Monday unless SATURDAY Delivery is selected.	<input type="checkbox"/> FedEx 2Day Second business afternoon * Thursday shipments will be delivered on Monday unless SATURDAY Delivery is selected.
<input type="checkbox"/> FedEx Standard Overnight Next business afternoon. Saturday Delivery NOT available.	<input type="checkbox"/> FedEx Express Saver Third business day * Saturday Delivery NOT available.

**5 Packaging** \* Declared value limit \$500.  
 FedEx Envelope\*  FedEx Pak\*  FedEx Box  FedEx Tube  Other

**6 Special Handling and Delivery Signature Options**  
 SATURDAY Delivery  
NOT available for FedEx Standard Overnight, FedEx 2Day A.M., or FedEx Express Saver.  
 No Signature Required  
Package may be left without obtaining a signature for delivery.  
 Direct Signature  
Someone at recipient's address may sign for delivery. Fee applies.  
 Indirect Signature  
If no one is available at recipient's address, someone at a neighboring address may sign for delivery. For residential deliveries only. Fee applies.

**Does this shipment contain dangerous goods?**  
One box must be checked.  
 No  Yes As per attached Shipper's Declaration.  Yes Shipper's Declaration not required.  Dry Ice 9 UN 1845  Cargo Aircraft Only  
Dangerous goods (including dry ice) cannot be shipped in FedEx packaging or placed in a FedEx Express Drop Box.

**7 Payment Bill to:**  
Sender Acct No in Section I will be billed  Recipient  Third Party  Credit Card  Cash/Check  
Enter FedEx Acct No. or Credit Card No. below. Obtain recip Acct. No.   
Total Packages Total Weight **6.11** Credit Card Acct.



8053 1592 8447

0113593644

\*Our liability is limited to US\$100 unless you declare a higher value. See the current FedEx Service Guide for details.

Rev. Date 2/12 • Part 163134 • ©1994-2012 FedEx • PRINTED IN U.S.A. SHS

fedex.com 1800.GoFedEx 1800.463.3339

fedex.com 1800.GoFedEx 1800.463.3339